

General Assembly

Amendment

February Session, 2000

LCO No. 3175

Offered by:

REP. LYONS, 146th Dist.

REP. PUDLIN, 24th Dist.

REP. KNOPP, 137th Dist

SEN. SULLIVAN, 5th Dist.

SEN. JEPSEN, 27th Dist.

SEN. KISSEL, 7th Dist.

To: Subst. House Bill No. 5102 File No. 2 Cal. No. 45

"An Act Proposing Comprehensive Campaign Finance Reform For State-Wide Constitutional Offices."

- 1 Strike out everything after the enacting clause and substitute the
- 2 following in lieu thereof:
- 3 "Section 1. (NEW) As used in sections 1 to 4, inclusive, and 6 to 24,
- 4 inclusive, of this act:
- 5 (1) "Commission" means the State Elections Enforcement
- 6 Commission.
- 7 (2) "Convention" means "convention", as defined in section 9-372 of
- 8 the general statutes.
- 9 (3) "Depository account" means the single checking account at the
- depository institution designated as the depository for the candidate
- 11 committee's moneys in accordance with the provisions of subsection
- 12 (a) of section 9-333f of the general statutes.

(4) "Fund" means the Citizens' Election Fund established in section 2
 of this act.

- 15 (5) "General election campaign" means (A) in the case of a candidate nominated at a primary, the period beginning on the day following the 16 17 primary and ending on the date the campaign treasurer files the final 18 statement for such campaign pursuant to section 9-333j of the general statutes, or (B) in the case of a candidate nominated without a primary, 19 20 the period beginning on the day following the day on which the 21 candidate is nominated and ending on the date the campaign treasurer 22 files the final statement for such campaign pursuant to said section 9-23 333j.
- (6) "Major party" means "major party", as defined in section 9-372 of
 the general statutes.
- (7) "Minor party" means "minor party" as defined in section 9-372 of
 the general statutes.
- 28 (8) "Primary campaign" means the period beginning on the day 29 following the close of a convention and ending on the day of a primary 30 held for the purpose of nominating a candidate for an office.
 - (9) "Qualified candidate committee" means a candidate committee
 (A) established to aid or promote the success of any candidate for nomination or election to a state office and (B) approved by the commission to receive a grant from the Citizens' Election Fund under section 14 of this act.
 - (10) "Eligible petitioning party candidate" means a candidate for election to an office pursuant to part III C of chapter 153 of the general statutes whose nominating petition has been approved by the Secretary of the State pursuant to subsection (c) of section 9-4530 of the general statutes.
- 41 (11) "State office" means the office of Governor, Lieutenant 42 Governor, Attorney General, State Comptroller, State Treasurer or

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43 Secretary of the State.

44 Sec. 2. (NEW) There is established, within the General Fund, a 45 separate, nonlapsing account to be known as the "Citizens' Election 46 Fund". The fund may contain any moneys required by law to be 47 deposited in the fund. Investment earnings credited to the assets of the 48 fund shall become part of the assets of the fund. The State Treasurer 49 shall administer the fund. All moneys deposited in the fund shall be 50 used for the purposes of sections 1 to 4, inclusive, and 6 to 24, 51 inclusive, of this act. The State Elections Enforcement Commission may 52 deduct and retain from the moneys in the fund an amount equal to the 53 costs incurred by the commission in administering the provisions of 54 said sections 1, 3, 4, 6 to 24, inclusive, provided said amount shall not 55 exceed two per cent of the moneys deposited in the fund in any fiscal 56 year. Any portion of said two per cent allocation which exceeds said 57 costs incurred by the commission in any fiscal year shall continue to be 58 available for any said costs incurred by the commission in subsequent 59 fiscal years.

- Sec. 3. (NEW) (a) (1) Any taxpayer filing a return under chapter 229 of the general statutes for taxable years commencing on or after January 1, 2000, may contribute all or part of a refund under said chapter 229 to the Citizens' Election Fund established in section 2 of this act, by indicating on the tax return the amount to be contributed to the fund.
 - (2) Any taxpayer filing a return under chapter 229 of the general statutes for taxable years commencing on or after January 1, 2000, whose income tax liability for the taxable year, before applying any credit under section 12-704c of the general statutes, as amended, is five dollars or more, may designate that five dollars of such tax liability shall be paid over to the fund by so indicating on the tax return. In the case of a husband and wife filing a joint return with an income tax liability of ten dollars or more, each spouse may designate that five dollars of such tax liability shall be paid over to the fund by so indicating on the tax return. Any designation made pursuant to this

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subdivision shall not increase the taxpayer's income tax liability.

(3) Any taxpayer filing a return under chapter 229 of the general statutes may contribute an additional amount to the Citizens' Election Fund established in section 2 of this act, by indicating on the tax return the amount to be contributed to the fund. Any contribution made pursuant to this subdivision shall be in addition to the amount of tax reported to be due on such return and shall be paid at the same time as the tax due on such return is paid and in the manner prescribed by the Commissioner of Revenue Services.

- (b) A contribution or designation made pursuant to this section shall be irrevocable upon the filing of the return. A taxpayer making a contribution or designation pursuant to this subsection shall so indicate on the tax return in a manner provided for by the Commissioner of Revenue Services pursuant to subsection (c) of this section.
- (c) The Commissioner of Revenue Services shall revise the income tax return form to implement the provisions of subsection (a) of this section. Such form shall include (1) a space on the return in which taxpayers may indicate their intention to make a contribution or designation in accordance with this section, and (2) instructions for payment of any contribution under subdivision (3) of subsection (a) of this section. The commissioner shall include in the instructions accompanying the tax return a description of the purposes for which the Citizens' Election Fund was established.
- (d) A contribution of all or part of a refund shall be made in the full amount indicated if the refund found due the taxpayer upon the initial processing of the return, and after any deductions required by chapter 229 of the general statutes, is greater than or equal to the indicated contribution. If the refund due, as determined upon initial processing, and after any deductions required by said chapter 229, is less than the indicated contribution, the contribution shall be made in the full amount of the refund. The Commissioner of Revenue Services shall

subtract the amount of any contribution of all or part of a refund from the amount of the refund initially found due the taxpayer and shall certify (1) the amount of the refund initially found due the taxpayer, (2) the amount of any such contribution, and (3) the amount of the difference to the Secretary of the Office of Policy and Management and the State Treasurer for payment to the taxpayer in accordance with said chapter 229. For the purposes of any subsequent determination of the taxpayer's net tax payment, such contribution shall be considered a part of the refund paid to the taxpayer.

- (e) The Commissioner of Revenue Services, after notification of and approval by the Secretary of the Office of Policy and Management, may deduct and retain from the moneys collected under subsections (a) to (d), inclusive, of this section an amount equal to the costs of administering this section, but not to exceed four per cent of such moneys collected in any fiscal year. The Commissioner of Revenue Services shall deposit the remaining moneys collected in the Citizens' Election Fund.
- Sec. 4. (NEW) (a) (1) Any taxpayer filing a return under chapter 208 of the general statutes for taxable years commencing on or after January 1, 2000, may contribute all or part of a refund under said chapter 208 to the Citizens' Election Fund established in section 2 of this act, by indicating on the tax return the amount to be contributed to the fund.
 - (2) Any taxpayer filing a return under chapter 208 of the general statutes for taxable years commencing on or after January 1, 2000, whose income tax liability for the taxable year, before applying any credits under chapter 208 of the general statutes, is five dollars or more, may designate that two hundred dollars of such tax liability or, if such tax liability is less than two hundred dollars, the full amount of such tax liability, shall be paid over to the Citizens' Election Fund established in section 2 of this act, by so indicating on the tax return. Any designation made pursuant to this subdivision shall not increase the taxpayer's income tax liability.

(3) Any taxpayer filing a return under chapter 208 of the general statutes may contribute an additional amount to the Citizens' Election Fund established in section 2 of this act, by indicating on the tax return the amount to be contributed to the fund. Any contribution made pursuant to this subdivision shall be in addition to the amount of tax reported to be due on such return and shall be paid at the same time as the tax due on such return is paid and in the manner prescribed by the Commissioner of Revenue Services.

- (b) A contribution or designation made pursuant to this section shall be irrevocable upon the filing of the return. A taxpayer making a contribution or designation pursuant to this subsection shall so indicate on the tax return in a manner provided for by the Commissioner of Revenue Services pursuant to subsection (c) of this section.
- (c) The Commissioner of Revenue Services shall revise the income tax return form to implement the provisions of subsection (a) of this section. Such form shall include (1) a space on the return in which taxpayers may indicate their intention to make a contribution or designation in accordance with this section, and (2) instructions for payment of any contribution under subdivision (3) of subsection (a) of this section. The commissioner shall include in the instructions accompanying the tax return a description of the purposes for which the Citizens' Election Fund was established.
- (d) A contribution of all or part of a refund shall be made in the full amount indicated if the refund found due the taxpayer upon the initial processing of the return, and after any deductions required by chapter 208 of the general statutes, is greater than or equal to the indicated contribution. If the refund due, as determined upon initial processing and after any deductions required by said chapter 208, is less than the indicated contribution, the contribution shall be made in the full amount of the refund. The Commissioner of Revenue Services shall subtract the amount of any contribution of all or part of a refund from the amount of the refund initially found due the taxpayer and shall

certify (1) the amount of the refund initially due the taxpayer, (2) the amount of any such contribution, and (3) the amount of the difference to the Secretary of the Office of Policy and Management and the State Treasurer for payment to the taxpayer in accordance with said chapter 208. For the purposes of any subsequent determination of the taxpayer's net tax payment, such contribution shall be considered a part of the refund paid to the taxpayer.

- (e) The Commissioner of Revenue Services, after notification of and approval by the Secretary of the Office of Policy and Management, may deduct and retain from the moneys collected under subsections (a) to (d), inclusive, of this section an amount equal to the costs of administering this section, but not to exceed four per cent of such moneys collected in any fiscal year. The Commissioner of Revenue Services shall deposit the remaining moneys collected in the Citizens' Election Fund.
- Sec. 5. Subsection (e) of section 9-333j of the general statutes is repealed and the following is substituted in lieu thereof:
 - (e) (1) Notwithstanding any provisions of this chapter to the contrary, in the event of a surplus the campaign treasurer of a candidate committee or of a political committee, other than a political committee formed for ongoing political activities or an exploratory committee shall distribute or expend such surplus [within] <u>not later than</u> ninety days after a primary which results in the defeat of the candidate, an election or referendum, in the following manner:
 - (A) Such committees may distribute their surplus to a party committee, or a political committee organized for ongoing political activities, return such surplus to all contributors to the committee on a prorated basis of contribution, distribute such surplus to the Citizens' Election Fund established in section 2 of this act or distribute such surplus to any charitable organization which is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the

United States, as from time to time amended, provided (i) no candidate committee may distribute such surplus to a committee which has been established to finance future political campaigns of the candidate, and (ii) a candidate committee which received moneys from the Citizens' Election Fund shall distribute such surplus to such fund;

- (B) Each such political committee established by an organization which received its funds from the organization's treasury shall return its surplus to its sponsoring organization;
- (C) (i) Each political committee formed solely to aid or promote the success or defeat of any referendum question, which does not receive contributions from a business entity or an organization, shall distribute its surplus to a party committee, to a political committee organized for ongoing political activities, to a national committee of a political party, to all contributors to the committee on a prorated basis of contribution, to state or municipal governments or agencies or to any organization which is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended. [, (ii) each] (ii) Each political committee formed solely to aid or promote the success or defeat of any referendum question, which receives contributions from a business entity or an organization, shall distribute its surplus to all contributors to the committee on a prorated basis of contribution, to state or municipal governments or agencies, or to any organization which is tax-exempt under said provisions of the Internal Revenue Code;
- (D) The campaign treasurer of the candidate committee of a candidate who is elected to office may, upon the authorization of such candidate, expend surplus campaign funds to pay for the cost of clerical, secretarial or other office expenses necessarily incurred by such candidate in preparation for taking office; except such surplus shall not be distributed for the personal benefit of any individual or to any organization; and

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(E) The campaign treasurer of a candidate committee, or of a political committee, other than a political committee formed for ongoing political activities or an exploratory committee, shall, prior to the dissolution of such committee, either (i) distribute any equipment purchased, including, but not limited to, computer equipment, to any recipient as set forth in subparagraph (A) of this subdivision, or (ii) sell any equipment purchased, including, but not limited to, computer equipment, to any person for fair market value and then distribute the proceeds of such sale to any recipient as set forth in said subparagraph (A).

- (2) Notwithstanding any provisions of this chapter to the contrary, the campaign treasurer of the candidate committee of a candidate who has withdrawn from a primary or election may, prior to the primary or election, distribute its surplus to any organization which is tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, or return such surplus to all contributors to the committee on a prorated basis of contribution.
- (3) [Within] Not later than seven days after such distribution or [within] not later than seven days after all funds have been expended in accordance with subparagraph (D) of subdivision (1) of this subsection, the campaign treasurer shall file a supplemental statement, sworn under penalty of false statement, with the proper authority, identifying all further contributions received since the previous statement and explaining how any surplus has been distributed or expended in accordance with this section. No surplus may be distributed or expended until after the election, primary or referendum.
- (4) In the event of a deficit the campaign treasurer shall file a supplemental statement ninety days after the election, primary or referendum with the proper authority and, thereafter, on the seventh day of each month following if on the last day of the previous month there was an increase or decrease in the deficit in excess of five

271 hundred dollars from that reported on the last statement filed. The

- campaign treasurer shall file such supplemental statements as required
- until the deficit is eliminated. If any such committee does not have a
- surplus or a deficit, the statement required to be filed [within] not later
- 275 <u>than</u> forty-five days following any election or referendum or [within]
- 276 <u>not later than</u> thirty days following any primary shall be the last
- 277 required statement.
- Sec. 6. (NEW) All payments of civil penalties or late fees imposed by
- 279 the State Elections Enforcement Commission or the Secretary of the
- 280 State under title 9 of the general statutes, which are received after the
- 281 effective date of this section, shall be immediately transmitted to the
- 282 State Treasurer for deposit in the Citizens' Election Fund established in
- 283 section 2 of this act.
- Sec. 7. (NEW) Any person, business entity, organization, party
- committee or political committee, as defined in section 9-333a of the
- 286 general statutes, as amended, may contribute to the Citizens' Election
- Fund. Any such contribution shall be made by check or money order.
- 288 The commission shall immediately transmit all contributions received
- 289 pursuant to this section to the State Treasurer for deposit in the
- 290 Citizens' Election Fund.
- Sec. 8. (NEW) (a) There is established a program of voluntary
- 292 campaign expenditure limits for major party, minor party and eligible
- 293 petitioning party candidates for election to state office in 2002. Any
- 294 such candidate who agrees to limit the amount of expenditures made
- or incurred by the candidate committee for such candidate for the
- 296 general election campaign for said election shall be eligible to receive
- 297 moneys from the Citizens' Election Fund, if a candidate for election to
- 298 the same office in said year does not agree to said limit and exceeds the
- 299 limit.
- 300 (b) The voluntary general election campaign expenditure limits shall
- 301 be:
- 302 (1) For candidates for election to the offices of Governor and

Lieutenant Governor who are nominated by the same party, a total combined amount of four million dollars; and

- (2) For a candidate for election to the office of Attorney General, State Comptroller, Secretary of the State or State Treasurer, seven hundred fifty thousand dollars.
- (c) Each candidate for election to a state office in 2002, shall file an affidavit with the State Elections Enforcement Commission, at the same time that the candidate files either a committee statement under subsection (a) of section 9-333f of the general statutes or a certification under subsection (b) of said section 9-333f. The affidavit shall include a written certification that the candidate either intends to abide by the applicable expenditure limit under subsection (b) of this section or does not intend to abide by said limit. If the candidate does intend to abide by said limit, the affidavit shall also include written certifications that (1) the campaign treasurer of the candidate committee for said candidate shall expend any moneys received from the fund in accordance with the provisions of subsection (g) of section 9-333i of the general statutes, and (2) the candidate shall repay to the fund any such moneys which are not expended in accordance with said subsection (g). A candidate who so certifies the candidate's intent to abide by said limit shall be referred to in this section as a "participating candidate" and a candidate who so certifies the candidate's intent to not abide by said limit shall be referred to in this section as a "nonparticipating candidate". The commission shall prepare a list of the participating candidates and a list of the nonparticipating candidates and shall make such lists available for public inspection.
- (d) The campaign treasurer of the candidate committee for each candidate for election to state office in 2002, shall file campaign finance statements with the office of the Secretary of the State (1) according to the same schedule as required of a campaign treasurer of a candidate committee under section 9-333j of the general statutes until receiving contributions and receipts totaling seventy-five per cent of the applicable expenditure limit in subsection (b) of this section and (2)

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then, notwithstanding said schedule in said section 9-333j, on the second Thursday of each month between the beginning of the fourth month preceding the day of the election for said office and the beginning of the sixth week preceding the election and then, on each Thursday until the day of the election. If a campaign treasurer fails to file any such statement (1) within the time required, or (2) with both the Secretary of the State and the commission, said campaign treasurer shall be subject to a civil penalty imposed by the commission, of not more than one thousand dollars for each such failure under subdivision (1) or (2) of this section. Said statements shall be prepared in the same manner as statements required under section 9-333j of the general statutes.

(e) (1) The commission shall review all statements filed by campaign treasurers under subsection (d) of this section and all statements filed by said campaign treasurers under said section 9-333j. If the commission determines that (A) the candidate committee for a nonparticipating candidate has made or incurred campaign expenditures for the general election campaign that exceed the applicable expenditure limit under subsection (b) of this section and (B) the candidate committee for one or more participating candidates for the same office has not made or incurred such excess campaign expenditures and has, in the case of a candidate for the office of Governor, received contributions and receipts totaling five hundred thousand dollars, or in the case of a candidate for the office of Attorney General, State Comptroller, Secretary of the State or State Treasurer, received contributions and receipts totaling seventy-five thousand dollars, the commission shall notify the State Comptroller that the candidate committee for each said participating candidate shall be entitled to payment in an amount equaling the amount of the nonparticipating candidate's excess expenditures. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of said amount to each said participating candidate.

369 (2) If the commission subsequently determines that said

nonparticipating candidate has made additional campaign expenditures for the general election campaign that exceed said limit and the candidate committee for one or more participating candidates for the same office has not made or incurred any excess campaign expenditures, the commission shall notify the State Comptroller that the candidate committee for each said participating candidate shall be entitled to payment in an amount equaling the amount of the nonparticipating candidate's additional excess expenditures. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of said amount to each said participating candidate.

- (f) The following shall not be subject to the expenditure limits under this section: In-kind contributions from party committees for coordinated campaign expenditures, including but not limited to, phone banks and voter lists, which are made available to all partyendorsed candidates whose names appear on a ballot.
- (g) Upon the receipt of a report under subsection (e) of section 9-333n, as amended by this act, that an independent expenditure has been made or obligated to be made, with the intent to promote the defeat of a participating candidate for (1) the office of Governor who has received contributions and receipts totaling five hundred thousand dollars or (2) the office of Attorney General, State Comptroller, Secretary of the State or State Treasurer who has received contributions and receipts totaling seventy-five thousand dollars, the commission shall immediately notify the State Comptroller that additional money, equal to the amount of the independent expenditure, shall be paid to the candidate committee for said participating candidate. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of such amount to said candidate committee from the fund.
- Sec. 9. (NEW) (a) There is established a program of voluntary campaign expenditure limits for major party, minor party and eligible

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petitioning party candidates for election to the office of state representative or state senator in 2004, and thereafter. Any such candidate who agrees to limit the amount of expenditures made or incurred by the candidate committee for such candidate for the general election campaign for said election shall be eligible to receive moneys from the Citizens' Election Fund, if a candidate for election to the same office in said year does not agree to said limit and exceeds the limit.

- (b) The voluntary general election campaign expenditure limits for the election held in 2004, shall be:
- 412 (1) For a candidate for election to the office of state representative, 413 fifty thousand dollars; and
- 414 (2) For a candidate for election to the office of state senator, one 415 hundred thirty thousand dollars.
 - (c) The voluntary general election campaign expenditure limits for elections held after 2004, shall be the limits under subsection (b) of this section, adjusted for inflation. On January 15, 2006, and biennially thereafter, the commission shall adjust said expenditure limits in accordance with any change during the preceding two calendar years in the Consumer Price Index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics.
 - (d) Each candidate for election to the office of state representative or state senator in 2004, or thereafter, shall file an affidavit with the State Elections Enforcement Commission, at the same time that the candidate files either a committee statement under subsection (a) of section 9-333f of the general statutes or a certification under subsection (b) of said section 9-333f. The affidavit shall include a written certification that the candidate either intends to abide by the applicable expenditure limit under subsection (b) or (c) of this section or does not intend to abide by said limit. If the candidate does intend to abide by said limit, the affidavit shall also include written certifications that (1) the campaign treasurer of the candidate committee for said candidate shall expend any moneys received from the fund in accordance with

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the provisions of subsection (g) of section 9-333i of the general statutes, and (2) the candidate shall repay to the fund any such moneys which are not expended in accordance with said subsection (g). A candidate who so certifies the candidate's intent to abide by said limit shall be referred to in this section as a "participating candidate" and a candidate who so certifies the candidate's intent to not abide by said limit shall be referred to in this section as a "nonparticipating candidate". The commission shall prepare a list of the participating candidates and a list of the nonparticipating candidates and shall make such lists available for public inspection.

- (e) The campaign treasurer of the candidate committee for each candidate for the office of state representative or state senator shall file campaign finance statements with the office of the Secretary of the State (1) according to the same schedule as required of a campaign treasurer of a candidate committee under section 9-333j of the general statutes until receiving contributions and receipts totaling seventy-five per cent of the applicable expenditure limit in subsection (b) or (c) of this section and (2) then, notwithstanding said schedule in said section 9-333j, on the second Thursday of each month between the beginning of the fourth month preceding the day of the election for said office and the beginning of the sixth week preceding the election and then on each Thursday until the day of the election. Said statements shall be prepared in the same manner as statements required under section 9-333j of the general statutes.
- (f) (1) The commission shall review all statements filed by campaign treasurers under subsection (e) of this section and all statements filed by said campaign treasurers under said section 9-333j. If the commission determines that (A) the candidate committee for a nonparticipating candidate has made or incurred campaign expenditures for the general election campaign that exceed the applicable expenditure limit under subsection (b) or (c) of this section and (B) the candidate committee for one or more participating candidates for the same office has not made or incurred such excess campaign expenditures and has received contributions and receipts

469 totaling twenty-five per cent of the applicable expenditure limit in 470 subsection (b) or (c) of this section, the commission shall notify the 471 State Comptroller that the candidate committee for each said 472 participating candidate shall be entitled to payment in an amount 473 equaling the amount of the nonparticipating candidate's excess 474 expenditures. Not later than two business days following notification 475 by the commission, the State Comptroller shall draw an order on the 476 State Treasurer for payment of said amount to each said participating 477 candidate.

- the commission subsequently determines that said nonparticipating has made additional candidate campaign expenditures for the general election campaign that exceed said limit and the candidate committee for one or more participating candidates for the same office has not made or incurred any excess campaign expenditures, the commission shall notify the State Comptroller that the candidate committee for each said participating candidate shall be entitled to payment in an amount equaling the amount of the nonparticipating candidate's additional excess expenditures. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of said amount to each said participating candidate.
- (g) The following shall not be subject to the expenditure limits under this section: In-kind contributions from party committees for coordinated campaign expenditures, including but not limited to, phone banks and voter lists, which are made available to all party-endorsed candidates whose names appear on a ballot.
- (h) Upon the receipt of a report under subsection (e) of section 9-333n, as amended by this act, that an independent expenditure has been made or obligated to be made, with the intent to promote the defeat of a participating candidate who has received contributions and receipts totaling twenty-five per cent of the applicable expenditure limit in subsection (b) or (c) of this section, the commission shall immediately notify the State Comptroller that additional money, equal

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to the amount of the independent expenditure, shall be paid to the candidate committee for said participating candidate. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of such amount to said candidate committee from the fund.

Sec. 10. (NEW) (a) There is established a Citizens' Election Program under which (1) the candidate committee of a major party or minor party candidate for nomination to a state office in 2006, or thereafter, may receive a grant from the Citizens' Election Fund for the candidate's primary campaign for said nomination or (2) the candidate committee of a major party, minor party or eligible petitioning party candidate for election to a state office in 2006, or thereafter, may receive a grant from the fund for the candidate's general election campaign for said office. Any such candidate is eligible to receive such grants if (A) the candidate's candidate committee receives the required amount of qualifying contributions set forth in section 11 of this act, (B) the candidate agrees to the primary campaign and general election campaign expenditure limits set forth in section 12 of this act, and (C) the candidate complies with the requirements of section 14 of this act.

(b) Each major party and minor party candidate for nomination or election to a state office in 2006, or thereafter, and each petitioning candidate for election to a state office in 2006, or thereafter, shall file an affidavit with the State Elections Enforcement Commission, at the same time that the candidate files either a committee statement under subsection (a) of section 9-333f of the general statutes or a certification under subsection (b) of said section 9-333f. The affidavit shall include a written certification that the candidate either intends to abide by the applicable expenditure limits for a primary campaign and a general election campaign under the Citizens' Election Program, as set forth in section 12 of this act, or does not intend to abide by said limits. A candidate who so certifies the candidate's intent to abide by said limit shall be referred to in sections 10 to 24, inclusive, of this act as a "participating candidate" and a candidate who so certifies the candidate's intent to not abide by said limit shall be referred to in this

section as a "nonparticipating candidate". The commission shall prepare a list of the participating candidates and a list of the nonparticipating candidates and shall make such lists available for public inspection.

- Sec. 11. (NEW) (a) The amount of qualifying contributions which the candidate committee of a candidate needs to receive in order to be eligible for grants from the Citizens' Election Fund shall be:
- (1) In the case of a candidate for nomination or election to the office of Governor, contributions from individuals in the aggregate amount of five hundred thousand dollars, of which four hundred fifty thousand dollars or more is contributed by individuals residing in the state, provided (A) no such contribution that exceeds five hundred dollars shall be considered in calculating such amounts, and (B) all contributions received by an exploratory committee that meets such criteria shall be considered in calculating such amounts; and
- (2) In the case of a candidate for nomination or election to the office of Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State, contributions from individuals in the aggregate amount of seventy-five thousand dollars, of which sixty-seven thousand five hundred dollars or more is contributed by individuals residing in the state, provided (A) no such contribution that exceeds two hundred fifty dollars shall be considered in calculating such amounts, and (B) all contributions received by an exploratory committee that meets such criteria shall be considered in calculating such amounts.
- (b) Each individual who makes a contribution to a candidate committee established to aid or promote the success of a participating candidate for nomination or election to a state office shall include the individual's name and address with the contribution. A contribution from an individual that does not include such information shall not be deemed to be a qualifying contribution under subsection (a) of this section.

Sec. 12. (NEW) (a) The following are the expenditure limits under the Citizens' Election Program for a primary campaign for qualifying candidates for nomination to the office of Governor in 2006, and thereafter, subject to adjustment under subsection (e) of this section:

572 (1) For a candidate who receives the endorsement of the candidate's 573 party at the state convention, one million five hundred thousand 574 dollars;

- (2) For a nonendorsed candidate who receives fifteen per cent of the votes of the convention delegates of the candidate's party who are present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office at a convention where the party endorses a candidate for said office, five hundred thousand dollars;
- (3) For a nonendorsed candidate who receives more than fifteen per cent of the votes of the convention delegates of the candidate's party who are present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office at a convention where the party endorses a candidate for said office, the sum of five hundred thousand dollars and twenty-eight thousand five hundred dollars for each per cent of the vote of said convention delegates that the candidate receives on said roll call in excess of fifteen per cent; and
- (4) For a nonendorsed candidate who receives fifteen per cent or more of the votes of the convention delegates of the candidate's party who are present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office at a convention where the party does not endorse a candidate for said office, five hundred thousand dollars.
- (b) The expenditure limit under the Citizens' Election Program in 2006, and thereafter, for a general election campaign for qualifying candidates for election to the office of Governor and Lieutenant Governor who are nominated by the same party shall be a total

combined amount of four million dollars, subject to adjustment under subsection (e) of this section.

- (c) The following are the expenditure limits under the Citizens' Election Program for a primary campaign for qualifying candidates for nomination to the office of Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer in 2006, and thereafter, subject to adjustment under subsection (e) of this section:
- (1) For a candidate who receives the endorsement of the candidate's party at the state convention, five hundred thousand dollars;
 - (2) For a nonendorsed candidate who receives fifteen per cent of the votes of the convention delegates of the candidate's party who are present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office at a convention where the party endorses a candidate for said office, one hundred fifty thousand dollars;
 - (3) For a nonendorsed candidate who receives more than fifteen per cent of the votes of the convention delegates of the candidate's party who are present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office at a convention where the party endorses a candidate for said office, the sum of one hundred fifty thousand dollars and ten thousand dollars for each per cent of the vote of said convention delegates that the candidate receives on said roll call in excess of fifteen per cent; and
 - (4) For a nonendorsed candidate who receives fifteen per cent or more of the votes of the convention delegates of the candidate's party who are present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office at a convention where the party does not endorse a candidate for said office, one hundred fifty thousand dollars.
- (d) The expenditure limit under the Citizens' Election Program for a general election campaign for qualifying candidates for election to the

office of Attorney General, State Comptroller, Secretary of the State or

- 632 State Treasurer in 2006, and thereafter, shall be seven hundred fifty
- 633 thousand dollars, subject to adjustment under subsection (e) of this
- 634 section.
- 635 (e) On January 15, 2006, and quadrennially thereafter, the
- commission shall adjust the expenditure limits in subsections (a) to (d),
- 637 inclusive, of this section in accordance with any change during the
- 638 preceding four calendar years in the Consumer Price Index for all
- 639 urban consumers as published by the United States Department of
- 640 Labor, Bureau of Labor Statistics.
- (f) The following shall not be subject to the expenditure limits under
- 642 this section: In-kind contributions from party committees for
- 643 coordinated campaign expenditures, including but not limited to,
- 644 phone banks and voter lists, which are made available to all party-
- endorsed candidates whose names appear on a ballot.
- Sec. 13. (NEW) (a) A candidate for state office who receives the
- 647 qualifying amount of contributions under section 11 of this act shall be
- 648 eligible to receive grants under the Citizens' Election Program for a
- 649 primary campaign and a general election campaign in the amount of
- 650 the applicable expenditure limits for such campaigns for said office set
- 651 forth in section 12 of this act. The amount of any said grant to a
- 652 candidate for a campaign shall be reduced by the amount of
- 653 expenditures that the candidate has made or incurred before the
- 654 candidate submits the application for said grant, except for
- expenditures for research that has been conducted or office equipment
- or furnishings.
- (b) No grant under the Citizens' Election Program may be applied to
- a deficit incurred by a candidate committee.
- (c) The campaign treasurer of a candidate committee for a candidate
- 660 for state office who receives a grant under the Citizens' Election
- 661 Program shall distribute all unspent candidate committee funds from
- other sources to the Citizens' Election Fund.

Sec. 14. (NEW) (a) A candidate for nomination or election to a state office in 2006, or thereafter, may apply to the State Elections Enforcement Commission for a grant from the fund under the Citizens' Election Program for (1) a primary campaign, after the close of the state convention of the candidate's party that is called for the purpose of choosing candidates for nomination for the office that the candidate is seeking, if said party endorses the candidate for the office that the candidate is seeking or the candidate receives at least fifteen per cent of the votes of the convention delegates present and voting on any rollcall vote taken on the endorsement or proposed endorsement of a candidate for the office the candidate is seeking; or (2) a general election campaign, (A) after the close of the state convention of the candidate's party that is called for the purpose of choosing candidates for nomination for the office that the candidate is seeking, if (i) said party endorses said candidate for the office that the candidate is seeking and no other candidate of said party either receives at least fifteen per cent of the votes of the convention delegates present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for said office or files a certificate of candidacy with the Secretary of the State in accordance with the provisions of section 9-400 of the general statutes, or (ii) the candidate receives at least fifteen per cent of the votes of the convention delegates present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for the office the candidate is seeking and no other candidate for such office at such convention either receives the party endorsement or said percentage of said votes for said endorsement or files a certificate of endorsement with the Secretary of the State in accordance with the provisions of section 9-388 of the general statutes or a certificate of candidacy with the Secretary of the State in accordance with the provisions of section 9-400 of the general statutes, (B) after any primary held by such party for nomination for such office, if the Secretary of the State declares that the candidate is the party nominee in accordance with the provisions of section 9-440 of the general statutes, or (C) in the case of a petitioning party candidate, after approval by the Secretary of the State of such

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candidate's nominating petition pursuant to subsection (c) of section 9-4530 of the general statutes.

- 700 (b) The application shall include a written certification that:
- 701 (1) The candidate committee has received the required amount of qualifying contributions;
- 703 (2) The candidate committee has repaid all moneys borrowed on 704 behalf of the campaign, as required by subsection (b) of section 16 of 705 this act;
- 706 (3) The candidate committee has returned any contribution from an 707 individual who does not include the individual's name and address 708 with the contribution;
- 709 (4) The campaign treasurer of the candidate committee shall comply 710 with the provisions of sections 1 and 10 to 24, inclusive, of this act;
- 711 (5) All moneys received from the fund shall be deposited upon 712 receipt into the depository account of the candidate committee;
- 713 (6) The campaign treasurer of the candidate committee shall expend 714 all moneys received from the fund in accordance with the provisions of 715 subsection (g) of section 9-333i of the general statutes; and
 - (7) If the candidate withdraws from the campaign, becomes ineligible or dies during the campaign, the candidate committee of the candidate shall return to the commission, for deposit in the fund, all moneys received from the fund pursuant to sections 1 and 10 to 24, inclusive, of this act which said candidate committee has not spent as of the date of such occurrence.
 - (c) The application shall be accompanied by a cumulative itemized accounting of all funds received, expenditures made and expenses incurred but not yet paid by the candidate committee as of three days before the date that the application is signed. Such accounting shall be sworn to under penalty of false statement by the campaign treasurer of

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the candidate committee. The commission shall prescribe the form of the application and the cumulative itemized accounting, after consulting with the Secretary of the State. The form for such accounting shall conform to the requirements of section 9-333j of the general statutes. Both the candidate and the campaign treasurer of the candidate committee shall sign the application.

(d) Not later than three business days following receipt of any such application, the commission shall review the application, determine whether the candidate committee for the applicant (1) has received the required qualifying contributions, and (2) in the case of an application for a grant from the fund for a primary campaign or a general election campaign, the applicant has met the applicable condition under subsection (a) of this section for applying for such moneys and, if so, determine the amount of the grant payable to the candidate committee from the fund and notify the State Comptroller and the candidate of such candidate committee, of such amount. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of such amount to the qualified candidate committee from the fund.

Sec. 15. (NEW) Following the initial deposit of moneys from the fund into the depository account of a qualified candidate committee, no contribution, loan, amount of the candidate's own moneys or any other moneys received by the candidate or the campaign treasurer on behalf of the committee shall be deposited into said depository account, except (1) grants from the fund, and (2) any additional moneys from the fund as provided in sections 20 and 21 of this act.

Sec. 16. (NEW) A qualified candidate committee which received moneys from the fund for a primary campaign and whose candidate is the party nominee shall receive moneys from the fund for a general election campaign. Upon receiving verification from the Secretary of the State of the declaration by the Secretary of the State in accordance with the provisions of section 9-440 of the general statutes, of the results of the votes cast at the primary, the commission shall notify the

State Comptroller of the amount payable to such qualified candidate committee. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of the general election campaign grant to said committee from said fund.

Sec. 17. (NEW) (a) For purposes of this section, expenditures made to aid or promote the success of both a candidate for nomination or election to the office of Governor and a candidate for nomination or election to the office of Lieutenant Governor jointly, shall be considered expenditures made to aid or promote the success of a candidate for nomination or election to the office of Governor. The party-endorsed candidate for nomination or election to the office of Lieutenant Governor and the party-endorsed candidate for nomination or election to the office of Governor shall be deemed to be aiding or promoting the success of both candidates jointly upon the earliest of the following: (1) The primary, whether held for the office of Governor, the office of Lieutenant Governor, or both; (2) if no primary is held for the office of Governor or Lieutenant Governor, the convention; or (3) a declaration by the party-endorsed candidates that they shall campaign jointly. Any other candidate for nomination or election to the office of Lieutenant Governor shall be deemed to be aiding or promoting the success of such candidacy for the office of Lieutenant Governor and the success of a candidate for nomination or election to the office of Governor jointly upon a declaration by the candidates that they shall campaign jointly.

(b) The candidate committee formed to aid or promote the success of a candidate for nomination or election to the office of Lieutenant Governor, the candidate of which campaigns jointly with a candidate for nomination or election to the office of Governor, shall be dissolved as of the applicable date set forth in subsection (a) of this section. Not later than fifteen days after the applicable date set forth in subsection (a) of this section, the campaign treasurer of the candidate committee formed to aid or promote the success of said candidate for nomination or election to the office of Lieutenant Governor shall file a statement

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with the proper authority under section 9-333e of the general statutes, as amended by this act, identifying all contributions received or expenditures made by the committee since the previous statement and the balance on hand or deficit, as the case may be. Not later than thirty days after the applicable date set forth in subsection (a) of this section, (1) the campaign treasurer of a qualified candidate committee formed to aid or promote the success of said candidate for nomination or election to the office of Lieutenant Governor shall distribute any surplus to the fund, and (2) the campaign treasurer of a nonqualified candidate committee formed to aid or promote the success of said candidate for nomination or election to the office of Lieutenant Governor shall distribute such surplus in accordance with the provisions of subsection (e) of section 9-333j of the general statutes, as amended by this act.

Sec. 18. (NEW) (a) A qualified candidate committee may borrow moneys on behalf of a campaign for a primary or a general election from one or more financial institutions, as defined in section 36a-41 of the general statutes, in an aggregate amount not to exceed one thousand dollars. The amount borrowed shall not constitute a qualifying contribution. No individual, political committee or party committee, except the candidate or, in a general election, the state central committee of a political party, shall endorse or guarantee such a loan in an aggregate amount in excess of five hundred dollars. An endorsement or guarantee of such a loan shall constitute a contribution by such individual or committee for so long as the loan is outstanding. The amount endorsed or guaranteed by such individual or committee shall cease to constitute a contribution upon repayment of the amount endorsed or guaranteed.

(b) All such loans shall be repaid in full prior to the date a candidate committee applies for the moneys from the fund pursuant to section 12 of this act. The candidate shall certify to the commission that such loans were repaid. A candidate who fails to repay such loans or fails to certify such repayment to the commission shall not be eligible to receive and shall not receive moneys from the fund.

Sec. 19. (NEW) (a) A qualified candidate committee which receives a grant from the fund pursuant to section 14 of this act and makes expenditures in excess of an expenditure limit set forth in section 12 of this act (1) shall repay to the fund the full amount of such grant, (2) shall not receive any additional moneys from the fund for the remainder of the election cycle, (3) shall be subject to civil penalties under section 9-7b of the general statutes, as amended by this act, and (4) shall be deemed to be a nonparticipating candidate for the purposes of sections 10 to 24, inclusive, of this act.

(b) A candidate whose candidate committee fails to return any surplus grant funds to the fund within ninety days after a primary or an election, whichever is applicable shall be subject to the penalties for larceny under sections 53a-122 to 53a-125b, inclusive, depending on the amount involved.

Sec. 20. (NEW) (a) Additional moneys from the fund shall be paid to a qualified candidate committee which received moneys from the fund if the committee of an opposing candidate makes expenditures in excess of an expenditure limit set forth in section 12 of this act. Such additional moneys from the fund shall be paid to a qualified candidate committee which received moneys from the fund (1) regardless of whether the candidate committee which makes expenditures in excess of the applicable expenditure limit has received moneys from the fund, (2) in an amount equal to the greatest amount of expenditures in excess of the applicable expenditure limit which the committee of an opposing candidate has made expenditures, and (3) immediately following the commission's verification that the committee of an opposing candidate has made expenditures in excess of the applicable expenditure limit.

(b) If a nonparticipating candidate makes or incurs the obligation to make an excess expenditure more than twenty days before the day of a primary or election, the candidate shall file a declaration of excess expenditures not later than forty-eight hours after making or incurring the expenditure. If a nonparticipating candidate makes or incurs the

obligation to make an excess expenditure twenty days or less before the day of a primary or election, the candidate shall file a declaration of excess expenditures not later than twenty-four hours after making or incurring the expenditure. The commission may determine whether any expenditure by a nonparticipating candidate shall be deemed an excess expenditure.

Sec. 21. (NEW) Upon the receipt of a report under subsection (e) of section 9-333n, as amended by this act, that an independent expenditure has been made or obligated to be made, with the intent to promote the defeat of a candidate whose candidate committee has received a grant under the Citizens' Election Program, the commission shall immediately notify the State Comptroller that additional money, equal to the amount of the independent expenditure, shall be paid to said candidate committee. Not later than two business days following notification by the commission, the State Comptroller shall draw an order on the State Treasurer for payment of such amount to said candidate committee from the fund.

Sec. 22. (NEW) The campaign treasurer for each candidate for election to state office in 2006, or thereafter shall file campaign finance statements with the office of the Secretary of the State (1) according to the same schedules as required of a campaign treasurer of a candidate committee under section 9-333j of the general statutes until receiving contributions, receipts and grants totaling seventy-five per cent of the applicable expenditure limit for a general election campaign, as set forth in section 12 of this act and (2) then, notwithstanding said schedule in said section 9-333j, on the second Thursday of each month between the beginning of the fourth month preceding the day of the election for said office and the beginning of the sixth week preceding the election and then on each Thursday until the day of the election. Said statements shall be prepared in the same manner as statements required under section 9-333j of the general statutes. If a campaign treasurer fails to file any statement required by this section (1) within the time required, or (2) with both the Secretary of the State and the commission, such campaign treasurer shall be subject to a civil penalty

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imposed by the commission, of not more than one thousand dollars for each such failure under subdivision (1) or (2) of this section.

Sec. 23. (NEW) The Secretary of the State shall provide to each committee whose candidate has filed an affidavit under subsection (b) of section 10 of this act certifying that the candidate intends to abide by the applicable expenditure limits under the Citizens' Election Program, a copy of the centralized computer list of registered voters in the state established pursuant to the plan authorized under section 1 of special act 91-45. The Secretary shall provide the copy in electronic format, free of charge.

Sec. 24. (NEW) (a) Not later than June 1, 2001, and annually thereafter, the State Elections Enforcement Commission shall issue a report on the status of the Citizens' Election Fund during the previous calendar year. Such report shall include the amount of moneys deposited in the fund, the sources of moneys received by category, the number of contributions, the number of contributors, the amount of moneys expended by category, the recipients of moneys distributed from the fund and an accounting of the costs incurred by the commission in administering the provisions of sections 1 to 4, inclusive, 6 to 24, inclusive, of this act. Not later than May 15, 2001, and annually thereafter, the Commissioner of Revenue Services shall submit to the commission the information in the possession of the commissioner which the commission needs to complete such report.

(b) Not later than January first in any year in which an election for state offices is to be held, the commission shall determine whether the amount of moneys in the fund is sufficient to carry out the purposes of sections 1 to 4, inclusive, and 8 to 23, inclusive, of this act. If the commission determines that such amount is not sufficient to carry out such purposes, the commission shall, not later than three days after such later determination, (1) determine the percentage of the fund's obligations that can be met for such election, (2) recalculate the amount of each payment that a qualified candidate committee is entitled to receive under sections 8, 9 or 14 of this act by multiplying such

percentage by the amount that the committee would have been entitled to receive under sections 8, 9 or 14 of this act if there were a sufficient amount of moneys in the fund, and (3) notify each applicant for moneys from the fund of such insufficiency, percentage and applicable recalculation. After a qualified candidate committee first receives any such recalculated payment, the committee may resume accepting contributions and making expenditures from such contributions, provided no qualified candidate committee which receives such recalculated payments from the fund shall accept contributions in excess of the amount of moneys which the committee was entitled to receive from the fund but did not receive from the fund. The commission shall also issue a report on said determination.

- (c) The commission shall establish a reserve account in the fund. The first twenty-five thousand dollars deposited in the fund during any year shall be placed in said account. The commission shall use moneys in the reserve account only during the seven days preceding an election for payments to candidates (1) whose payments were reduced under subsection (b) of this section, or (2) who are entitled to funding to match, during said seven-day period, independent expenditures pursuant to section 21 of this act.
- 948 Sec. 25. Section 9-333a of the general statutes, as amended by section 949 1 of public act 99-12, is repealed and the following is substituted in lieu 950 thereof:
- As used in this chapter <u>and sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of this act</u>:
 - (1) "Committee" means a party committee, political committee or a candidate committee organized, as the case may be, for a single primary, election or referendum, or for ongoing political activities, to aid or promote the success or defeat of any political party, any one or more candidates for public office or the position of convention delegate or town committee member or any referendum question.
- 959 (2) "Party committee" means a state central committee or a town

committee. "Party committee" does not mean a party-affiliated or district, ward or borough committee which receives all of its funds from the state central committee of its party or from a single town committee with the same party affiliation. Any such committee so funded shall be construed to be a part of its state central or town committee for purposes of this chapter and sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of this act.

- (3) "Political committee" means (A) a committee organized by a business entity or organization, (B) persons other than individuals, or two or more individuals organized or acting jointly conducting their activities in or outside the state, (C) a committee established by a candidate to determine the particular public office to which [he] such candidate shall seek nomination or election, and referred to in this chapter as an exploratory committee, or (D) a committee established by or on behalf of a slate of candidates in a primary for the position of convention delegate, but does not mean a candidate committee or a party committee.
- (4) "Candidate committee" means any committee designated by a single candidate, or established with the consent, authorization or cooperation of a candidate, for the purpose of a single primary or election and to aid or promote [his] such candidate's candidacy alone for a particular public office or the position of town committee member, but does not mean a political committee or a party committee.
- (5) "National committee" means the organization which according to the bylaws of a political party is responsible for the day-to-day operation of the party at the national level.
- 987 (6) "Organization" means all labor organizations, (A) as defined in 988 the Labor-Management Reporting and Disclosure Act of 1959, as from 989 time to time amended, or (B) as defined in subdivision (9) of section 990 31-101, employee organizations as defined in subsection (d) of section 5-270 and subdivision (6) of section 7-467, bargaining representative

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organizations for teachers, any local, state or national organization, to which a labor organization pays membership or per capita fees, based upon its affiliation or membership, and trade or professional associations which receive their funds exclusively from membership dues, whether organized in or outside of this state, but does not mean a candidate committee, party committee or a political committee.

- (7) "Business entity" means the following, whether organized in or outside of this state: Stock corporations, banks, insurance companies, business associations, bankers associations, insurance associations, trade or professional associations which receive funds from membership dues and other sources, partnerships, joint ventures, private foundations, as defined in Section 509 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended; trusts or estates; corporations organized under sections 38a-175 to 38a-192, inclusive, 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, and chapters 594 to 597, inclusive; cooperatives, and any other association, organization or entity which is engaged in the operation of a business or profit-making activity; but does not include professional service corporations organized under chapter 594a and owned by a single individual, nonstock corporations which are not engaged in business or profit-making activity, organizations, as defined in subdivision (6) of this section, candidate committees, party committees and political committees as defined in this section. For purposes of this chapter, corporations which are component members of a controlled group of corporations, as those terms are defined in Section 1563 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, shall be deemed to be one corporation.
- 1021 (8) "Individual" means a human being, a sole proprietorship, or a 1022 professional service corporation organized under chapter 594a and 1023 owned by a single human being.
- 1024 (9) "Person" means an individual, committee, firm, partnership,

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organization, association, syndicate, company trust, corporation, limited liability company or any other legal entity of any kind but does not mean the state or any political or administrative subdivision of the state.

- (10) "Candidate" means an individual who seeks nomination for election or election to public office whether or not such individual is elected, and for the purposes of this chapter and sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of this act an individual shall be deemed to seek nomination for election or election if [he] such individual has (A) been endorsed by a party or become eligible for a position on the ballot at an election or primary, or (B) solicited or received contributions or made expenditures or given [his] such individual's consent to any other person to solicit or receive contributions or make expenditures with the intent to bring about [his] such individual's nomination for election or election to any such office. "Candidate" also means a slate of candidates which is to appear on the ballot in a primary for the position of convention delegate. For the purposes of sections 9-333 to 9-333l, inclusive, as amended by this act, and section 9-333w, "candidate" also means an individual who is a candidate in a primary for town committee members.
- (11) "Campaign treasurer" means the individual appointed by a candidate or by the [chairman] <u>chairperson</u> of a party committee or a political committee to receive and disburse funds on behalf of the candidate or committee.
- 1049 (12) "Deputy campaign treasurer" means the individual appointed 1050 by the candidate or by the [chairman] <u>chairperson</u> of a committee to 1051 serve in the capacity of the campaign treasurer if the campaign 1052 treasurer is unable to perform [his] <u>the campaign treasurer's</u> duties.
- 1053 (13) "Solicitor" means an individual appointed by a campaign 1054 treasurer of a committee to receive, but not to disburse, funds on 1055 behalf of the committee.
- 1056 (14) "Referendum question" means a question to be voted upon at

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any election or referendum, including a proposed constitutional amendment.

- 1059 (15) "Lobbyist" means a lobbyist as defined in subsection (l) of section 1-91.
- (16) "Business with which he is associated" means any business in which the contributor is a director, officer, owner, limited or general partner or holder of stock constituting five per cent or more of the total outstanding stock of any class. Officer refers only to the president, executive or senior vice-president or treasurer of such business.

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- (17) "Independent expenditure" means an expenditure that is made without the consent, knowing participation, or consultation of, a candidate or agent of the candidate committee. "Independent expenditure" does not include an expenditure (A) if there is any coordination or direction with respect to the expenditure between the candidate or the treasurer, deputy treasurer or [chairman] chairperson of [his] such candidate committee and the person making the expenditure, or (B) if, during the same election cycle, the individual making the expenditure serves or has served as the treasurer, deputy treasurer or [chairman] chairperson of the candidate committee.
- 1076 (18) "Federal account" means a depository account that is subject to 1077 the disclosure and contribution limits provided under the Federal 1078 Election Campaign Act of 1971, as amended from time to time.
- 1079 (19) "Public funds" means funds belonging to, or under the control of, the state or a political subdivision of the state.
- Sec. 26. Section 9-333b of the general statutes, as amended by public act 99-264, is repealed and the following is substituted in lieu thereof:
- 1083 (a) As used in this chapter <u>and sections 1 to 4, inclusive, 6 to 24,</u> 1084 inclusive, and 36 of this act, "contribution" means:
- 1085 (1) Any gift, subscription, loan, advance, payment or deposit of 1086 money or anything of value, made for the purpose of influencing the

nomination for election, or election, of any person or for the purpose of aiding or promoting the success or defeat of any referendum question or on behalf of any political party;

- 1090 (2) A written contract, promise or agreement to make a contribution 1091 for any such purpose;
- (3) The payment by any person, other than a candidate or campaign treasurer, of compensation for the personal services of any other person which are rendered without charge to a committee or candidate for any such purpose;
- (4) An expenditure when made by a person with the cooperation of, or in consultation with, any candidate, candidate committee or candidate's agent or which is made in concert with, or at the request or suggestion of, any candidate, candidate committee or candidate's agent; or
- 1101 (5) Funds received by a committee which are transferred from another committee or other source for any such purpose.
- 1103 (b) As used in this chapter <u>and sections 1 to 4, inclusive, 6 to 24,</u> 1104 inclusive, and 36 of this act, "contribution" does not mean:
- 1105 (1) A loan of money made in the ordinary course of business by a 1106 national or state bank;
- 1107 (2) Any communication made by a corporation, organization or 1108 association to its members, owners, stockholders, executive or 1109 administrative personnel, or their families;
- 1110 (3) Nonpartisan voter registration and get-out-the-vote campaigns 1111 by any corporation, organization or association aimed at its members, 1112 owners, stockholders, executive or administrative personnel, or their 1113 families;
- 1114 (4) Uncompensated services provided by individuals volunteering 1115 their time;

(5) The use of real or personal property, and the cost of invitations, food or beverages, voluntarily provided by an individual to a candidate or on behalf of a state central or town committee, in rendering voluntary personal services for candidate or party-related activities at the individual's residence, to the extent that the cumulative value of the invitations, food or beverages provided by the individual on behalf of any single candidate does not exceed two hundred dollars with respect to any single election, and on behalf of all state central and town committees does not exceed four hundred dollars in any calendar year;

- (6) The sale of food or beverage for use in a candidate's campaign or for use by a state central or town committee at a discount, if the charge is not less than the cost to the vendor, to the extent that the cumulative value of the discount given to or on behalf of any single candidate does not exceed two hundred dollars with respect to any single election, and on behalf of all state central and town committees does not exceed four hundred dollars in a calendar year;
- (7) Any unreimbursed payment for travel expenses made by an individual who on [his] <u>said individual's</u> own behalf volunteers [his] <u>said individual's</u> personal services to any single candidate to the extent the cumulative value does not exceed two hundred dollars with respect to any single election, and on behalf of all state central or town committees does not exceed four hundred dollars in a calendar year;
- (8) The payment, by a party committee, political committee or an individual, of the costs of preparation, display, mailing or other distribution incurred by the committee or individual with respect to any printed slate card, sample ballot or other printed list containing the names of three or more candidates;
- (9) The donation of any item of personal property by an individual to a committee for a fund-raising affair, including a tag sale or auction, or the purchase by an individual of any such item at such an affair, to the extent that the cumulative value donated or purchased does not

- 1148 exceed fifty dollars;
- 1149 (10) The purchase of advertising space which clearly identifies the
- 1150 purchaser, in a program for a fund-raising affair, provided the
- cumulative purchase of such space does not exceed two hundred fifty
- dollars from any single candidate or [his] committee of any single
- 1153 <u>candidate</u> with respect to any single election campaign or two hundred
- 1154 fifty dollars from any single party committee or other political
- 1155 committee in any calendar year if the purchaser is a business entity or
- 1156 fifty dollars for purchases by any other person;
- 1157 (11) The payment of money by a candidate to [his] said candidate's
- 1158 candidate committee;
- 1159 (12) The donation of goods or services by a business entity to a
- 1160 committee for a fund-raising affair, including a tag sale or auction, to
- the extent that the cumulative value donated does not exceed one
- 1162 hundred dollars;
- 1163 (13) The advance of a security deposit by an individual to a
- telephone company, as defined in section 16-1, for telecommunications
- service for a committee, provided the security deposit is refunded to
- the individual; or
- 1167 (14) The provision of facilities, equipment, technical and managerial
- 1168 support, and broadcast time by a community antenna television
- 1169 company, as defined in section 16-1, for community access
- 1170 programming pursuant to section 16-331a, unless (A) the major
- purpose of providing such facilities, equipment, support and time is to
- 1172 influence the nomination or election of a candidate, or (B) such
- 1173 facilities, equipment, support and time are provided on behalf of a
- 1174 political party.
- 1175 Sec. 27. Subsection (a) of section 9-333e of the general statutes is
- 1176 repealed and the following is substituted in lieu thereof:
- 1177 (a) Statements filed by party committees, political committees

1178 formed to aid or promote the success or defeat of a referendum 1179 question proposing a constitutional convention, constitutional 1180 amendment or revision of the constitution, individual lobbyists, and 1181 those political committees and candidate committees formed to aid or 1182 promote the success or defeat of any candidate for the office of 1183 Governor, Lieutenant Governor, Secretary of the State, State Treasurer, 1184 Comptroller, Attorney General, sheriff, judge of probate and members 1185 of the General Assembly, shall be filed with the office of the Secretary 1186 of the State. On and after January 1, 2002, a copy of each statement 1187 filed by a candidate committee formed to aid or promote the success of 1188 any candidate for the office of Governor, Lieutenant Governor, 1189 Secretary of the State, State Treasurer, State Comptroller or Attorney 1190 General, and on and after January 1, 2004, a copy of each statement 1191 filed by a candidate committee formed to aid or promote the success of 1192 any candidate for the office of state senator or state representative shall 1193 be filed at the same time with the commission. A copy of each 1194 statement filed by a town committee shall be filed at the same time 1195 with the town clerk of the municipality in which the committee is 1196 situated. A political committee formed for a slate of candidates in a 1197 primary for the position of convention delegate shall file statements 1198 with both the Secretary of the State and the town clerk of the 1199 municipality in which the primary is to be held.

Sec. 28. Subsection (a) of section 9-333m of the general statutes is repealed and the following is substituted in lieu thereof:

(a) No individual shall make a contribution or contributions to, for the benefit of, or pursuant to the authorization or request of, a candidate or a committee supporting or opposing any candidate's campaign for nomination at a primary, or any candidate's campaign for election, to the office of (1) Governor, [in excess of two thousand five hundred dollars] in excess of one thousand five hundred dollars for a primary or an election held in 2002, and in excess of one thousand dollars for a primary or an election held in 2006, or thereafter; (2) Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller or Attorney General, [in excess of one thousand five

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1212 hundred dollars] in excess of one thousand dollars for a primary or an 1213 election held in 2002, and in excess of seven hundred fifty dollars for a 1214 primary or an election held in 2006, or thereafter; (3) sheriff or chief 1215 executive officer of a town, city or borough, in excess of one thousand 1216 dollars; (4) state senator or probate judge, in excess of five hundred 1217 dollars; or (5) state representative or any other office of a municipality 1218 not [previously] specifically included in this subsection, in excess of 1219 two hundred fifty dollars. [The] Except for contributions to, or for the 1220 benefit of, a candidate's campaign in 2002, or thereafter, for the office 1221 of Governor, Lieutenant Governor, Secretary of the State, State 1222 Treasurer, State Comptroller or Attorney General, the limits imposed 1223 by this subsection shall be applied separately to primaries and 1224 elections.

- Sec. 29. Subsection (e) of section 9-333n of the general statutes is repealed and the following is substituted in lieu thereof:
- 1227 (e) (1) Any individual acting alone may, independent of any 1228 candidate, agent of the candidate, or committee, make unlimited 1229 expenditures to promote the success or defeat of any candidate's 1230 campaign for election, or nomination at a primary, to any office or 1231 position. [, provided any individual who makes an independent 1232 expenditure or expenditures in excess of one thousand dollars to 1233 promote the success or defeat of any candidate's campaign for election, 1234 or nomination at a primary, to any such office or position shall file 1235 statements according to the same schedule and in the same manner as 1236 is required of a campaign treasurer of a candidate committee under 1237 section 9-333j.]
 - (2) Any person who on or after July 1, 2000, makes or obligates to make an independent expenditure, as defined in section 9-333a of the general statutes, as amended, intended to promote the success or defeat of a candidate for public office, which exceeds one thousand dollars, in the aggregate, during a primary campaign or a general election campaign, shall file a report of such independent expenditure to the State Elections Enforcement Commission. The report shall be in

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1245 the same form as statements filed under section 9-333i. If the person 1246 makes or obligates to make such independent expenditure more than twenty days before the day of a primary or election, the person shall 1247 1248 file such report not later than forty-eight hours after such payment or 1249 obligation. If the person makes or obligates to make such independent 1250 expenditure twenty days or less before the day of a primary or 1251 election, the person shall file such report not later than twenty-four 1252 hours after such payment or obligation. The report shall be filed under 1253 penalty of false statement.

- (3) The independent expenditure report in subdivision (2) of this subsection shall include a statement (A) identifying the candidate for whom the independent expenditure is intended to promote the success or defeat, (B) affirming that the expenditure is totally independent and involves no cooperation or coordination with or direction from a candidate or a political party, and (C) affirming that the individual making the expenditure has not served or does not serve as treasurer, deputy treasurer or chairperson of the candidate committee during the same election cycle.
- (4) Any person may file a complaint with the commission upon the belief that (A) any such independent expenditure report or statement is false, or (B) any person who is required to file an independent expenditure report under subdivision (2) of this subsection has failed to do so. The commission shall make a prompt determination on such a complaint.
- Sec. 30. Subsection (d) of section 9-3330 of the general statutes is repealed and the following is substituted in lieu thereof:
 - (d) A political committee organized by a business entity shall not make a contribution or contributions to or for the benefit of any candidate's campaign for nomination at a primary or any candidate's campaign for election to the office of: (1) Governor, in excess of [five thousand dollars] three thousand five hundred dollars for a primary or an election held in 2002, or thereafter; (2) Lieutenant Governor,

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1277 Secretary of the State, State Treasurer, State Comptroller or Attorney 1278 General, in excess of [three thousand dollars] two thousand dollars for 1279 a primary or an election held in 2002, or thereafter; (3) sheriff, in excess 1280 of two thousand dollars; (4) state senator, probate judge or chief 1281 executive officer of a town, city or borough, in excess of one thousand 1282 dollars; (5) state representative, in excess of five hundred dollars; [or] 1283 (6) any other office of a municipality not included in subdivision (4) of 1284 this subsection, in excess of two hundred fifty dollars; or (7) an 1285 exploratory committee, in excess of two hundred fifty dollars. [The] 1286 Except for contributions to, or for the benefit of, a candidate's 1287 campaign in 2002, or thereafter, for the office of Governor, Lieutenant 1288 Governor, Secretary of the State, State Treasurer, State Comptroller or 1289 Attorney General, the limits imposed by this subsection shall apply 1290 separately to primaries and elections, and contributions by any such 1291 committee to candidates designated in this subsection shall not exceed 1292 one hundred thousand dollars in the aggregate for any single election and primary preliminary thereto. Contributions to such committees 1293 1294 shall also be subject to the provisions of section 9-333t, as amended by 1295 this act, in the case of committees formed for ongoing political activity 1296 or section 9-333u, as amended by this act, in the case of committees 1297 formed for a single election or primary.

Sec. 31. Section 9-333q of the general statutes is repealed and the following is substituted in lieu thereof:

(a) No political committee established by an organization shall make a contribution or contributions to, or for the benefit of, any candidate's campaign for nomination at a primary or for election to the office of: (1) Governor, in excess of two thousand five hundred dollars; (2) Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller or Attorney General, in excess of one thousand five hundred dollars; (3) sheriff or chief executive officer of a town, city or borough, in excess of one thousand dollars; (4) state senator or probate judge, in excess of five hundred dollars; or (5) state representative or any other office of a municipality not [previously] specifically included in this subsection, in excess of two hundred fifty dollars.

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(b) No such committee shall make a contribution or contributions to, or for the benefit of, an exploratory committee, in excess of two hundred fifty dollars. Any such committee may make unlimited contributions to a political committee formed solely to aid or promote the success or defeat of a referendum question.

- (c) [The] Except for contributions to, or for the benefit of, a candidate's campaign in 2002, or thereafter, for the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller or Attorney General, the limits imposed by subsection (a) of this section shall apply separately to primaries and elections. [and no] No such committee shall make contributions to the candidates designated in this section which in the aggregate exceed fifty thousand dollars for any single election and primary preliminary thereto.
- (d) No political committee established by an organization shall make contributions in any one calendar year to, or for the benefit of, (1) the state central committee of a political party, in excess of five thousand dollars; (2) a town committee, in excess of one thousand dollars; or (3) any political committee, other than an exploratory committee or a committee formed solely to aid or promote the success or defeat of a referendum question, in excess of two thousand dollars.
- (e) No political committee established by an organization shall make contributions to the committees designated in subsection (d) of this section, which in the aggregate exceed fifteen thousand dollars in any one calendar year. Contributions to a political committee established by an organization shall also be subject to the provisions of section 9-333t, as amended by this act, in the case of a committee formed for ongoing political activity or section 9-333u, as amended by this act, in the case of a committee formed for a single election or primary.
- Sec. 32. Subsection (b) of section 9-333y of the general statutes is repealed and the following is substituted in lieu thereof:
- 1341 (b) If any campaign treasurer or lobbyist fails to file the statements 1342 required by section 9-333j or subsection (g) of section 9-333l, as the case

1343 may be, within the time required, [he] the campaign treasurer or 1344 lobbyist shall pay a late filing fee of fifty-five dollars. In the case of a 1345 statement that is required to be filed with the Secretary of the State, the 1346 secretary shall, within ten days after the filing deadline, notify by 1347 certified mail, return receipt requested, the person required to file that, 1348 if such statement is not filed within twenty-one days after the deadline, 1349 the person is in violation of said section or subsection. If the person 1350 does not file such statement within twenty-one days after the deadline, 1351 the secretary shall notify the State Elections Enforcement Commission 1352 within twenty-eight days after the deadline. In the case of a copy of a 1353 statement that is required to be filed with the State Elections 1354 Enforcement Commission, the commission shall, not later than ten 1355 days after the filing deadline, notify by certified mail, return receipt 1356 requested, the person required to file that if such statement is not filed 1357 within twenty-one days after the deadline the person is in violation of 1358 section 9-333j. In the case of a statement that is required to be filed with 1359 a town clerk, the town clerk shall forthwith after the filing deadline 1360 notify by certified mail, return receipt requested, the person required 1361 to file that, if such statement is not filed within seven days after 1362 receiving such notice, the town clerk shall notify the State Elections 1363 Enforcement Commission that the person is in violation of said section 1364 or subsection. The penalty for any violation of said section or 1365 subsection shall be a fine of not more than one thousand dollars or 1366 imprisonment for not more than one year or both.

- Sec. 33. Section 9-7b of the general statutes is repealed and the following is substituted in lieu thereof:
- 1369 (a) The State Elections Enforcement Commission shall have the 1370 following duties and powers:
- 1371 (1) To make investigations on its own initiative or with respect to 1372 statements filed with the commission by the Secretary of the State or 1373 any town clerk, or upon written complaint under oath by any 1374 individual, with respect to alleged violations of any provision of the 1375 general statutes or sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of

this act, relating to any election or referendum, any primary held pursuant to section 9-423, 9-424, 9-425 or 9-464 or any primary held pursuant to a special act, and to hold hearings when the commission deems necessary to investigate violations of any provisions of the general statutes or sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of this act, relating to any such election, primary or referendum, and for the purpose of such hearings the commission may administer oaths, examine witnesses and receive oral and documentary evidence, and shall have the power to subpoena witnesses under procedural rules the commission shall adopt, to compel their attendance and to require the production for examination of any books and papers which the commission deems relevant to any matter under investigation or in question. In connection with its investigation of any alleged violation of any provision of chapter 145, or of any provision of section 9-359 or section 9-359a, the commission shall also have the power to subpoena any municipal clerk and to require the production for examination of any absentee ballot, inner and outer envelope from which any such ballot has been removed, depository envelope containing any such ballot or inner or outer envelope as provided in sections 9-150a and 9-150b and any other record, form or document as provided in section 9-150b, in connection with the election, primary or referendum to which the investigation relates. In case of a refusal to comply with any subpoena issued pursuant to this subsection or to testify with respect to any matter upon which that person may be lawfully interrogated, the superior court for the judicial district of Hartford, on application of the commission, may issue an order requiring such person to comply with such subpoena and to testify; failure to obey any such order of the court may be punished by the court as a contempt thereof. In any matter under investigation which concerns the operation or inspection of or outcome recorded on any voting machine, the commission may issue an order to the municipal clerk to impound such machine until the investigation is completed;

(2) To levy a civil penalty not to exceed (A) two thousand dollars per offense against any person the commission finds to be in violation

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1410 of any provision of chapter 145, part V of chapter 146, part I of chapter 1411 147, chapter 148, section 9-12, subsection (a) of section 9-17, section 1412 9-19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a, 9-23g, 9-23h, 9-23j to 1413 9-230, inclusive, 9-26, 9-31a, 9-32, 9-35, 9-35b, 9-35c, 9-40a, 9-42, 9-43, 1414 9-50a, 9-56, 9-59, 9-168d, 9-170, 9-171, 9-172, 9-409, 9-410, 9-412, 9-436, 1415 9-436a, 9-453e to 9-453h, inclusive, 9-453k, [or] 9-453o or sections 1 to 4, 1416 inclusive, 6 to 24, inclusive, and 36 of this act, or (B) two thousand 1417 dollars per offense or twice the amount of any improper payment or 1418 contribution, whichever is greater, against any person the commission 1419 finds to be in violation of any provision of chapter 150. The 1420 commission may levy a civil penalty against any person under 1421 subparagraph (A) or (B) of this subdivision only after giving the 1422 person an opportunity to be heard at a hearing conducted in accordance with sections 4-176e to 4-184, inclusive. In the case of 1423 1424 failure to pay any such penalty levied pursuant to this subsection 1425 [within] not later than thirty days of written notice sent by certified or 1426 registered mail to such person, the superior court for the judicial 1427 district of Hartford, on application of the commission, may issue an 1428 order requiring such person to pay the penalty imposed and such 1429 court costs, sheriff's fees and attorney's fees incurred by the 1430 commission as the court may determine;

- (3) (A) To issue an order requiring any person the commission finds to have received any contribution or payment which is prohibited by any of the provisions of chapter 150, after an opportunity to be heard at a hearing conducted in accordance with the provisions of sections 4-176e to 4-184, inclusive, to return such contribution or payment to the donor or payor, or to remit such contribution or payment to the state for deposit in the General Fund, whichever is deemed necessary to effectuate the purposes of chapter 150;
- (B) To issue an order when the commission finds that an intentional violation of any provision of chapter 150 has been committed, after an opportunity to be heard at a hearing conducted in accordance with sections 4-176e to 4-184, inclusive, which order may contain one or more of the following sanctions: (i) Removal of a campaign treasurer,

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1444 deputy campaign treasurer or solicitor; or (ii) prohibition on serving as 1445 a campaign treasurer, deputy campaign treasurer or solicitor, for a 1446 period not to exceed four years;

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- (C) To issue an order revoking any person's eligibility to be appointed or serve as an election, primary or referendum official or unofficial checker or in any capacity at the polls on the day of an election, primary or referendum, when the commission finds such person has intentionally violated any provision of the general statutes relating to the conduct of an election, primary or referendum, after an opportunity to be heard at a hearing conducted in accordance with sections 4-176e to 4-184, inclusive;
- 1455 (4) To issue an order to a candidate committee which receives 1456 moneys from the Citizens' Election Fund pursuant to sections 1 to 4, 1457 inclusive, 6 to 24, inclusive, and 36 of this act, to comply with the 1458 provisions of said sections 1 to 4, inclusive, 6 to 22, inclusive, and 36, 1459 after an opportunity to be heard at a hearing conducted in accordance with the provisions of sections 4-176e to 4-184, inclusive; 1460
- 1461 [(4)] (5) To inspect or audit at any reasonable time and upon reasonable notice the accounts or records of any campaign treasurer or 1462 1463 principal campaign treasurer, as required by chapter 150 and sections 1 1464 to 4, inclusive, 6 to 24, inclusive, and 36 of this act, and to audit any 1465 such election, primary or referendum held within the state; provided, 1466 it shall not audit any caucus, as defined in subdivision (1) of section 1467 9-372;
- 1468 [(5)] (6) To attempt to secure voluntary compliance, [by informal methods of conference, conciliation and persuasion,] with any 1469 1470 provision of chapters 149 to 153, inclusive, or any other provision of the general statutes relating to any such election, primary or 1472 referendum by informal methods of conference, conciliation and 1473 persuasion;
- [(6)] (7) To consult with the Secretary of the State, the Chief State's 1474 1475 Attorney or the Attorney General on any matter which the commission

- 1476 deems appropriate;
- [(7)] (8) To refer to the Chief State's Attorney evidence bearing upon
- 1478 violation of any provision of chapters 149 to 153, inclusive, or any
- other provision of the general statutes or sections 1 to 4, inclusive, 6 to
- 1480 24, inclusive, and 36 of this act, pertaining to or relating to any such
- 1481 election, primary or referendum;
- [(8)] (9) To refer to the Attorney General evidence for injunctive
- 1483 relief and any other ancillary equitable relief in the circumstances of
- subdivision [(7)] (8) of this [section] subsection. Nothing in this
- subdivision shall preclude a person who claims that [he] such person is
- aggrieved by a violation of any provision of chapter 152 or any other
- 1487 provision of the general statutes relating to referenda from pursuing
- 1488 injunctive and any other ancillary equitable relief directly from the
- 1489 Superior Court by the filing of a complaint;
- [(9)] (10) To refer to the Attorney General evidence pertaining to any
- 1491 ruling which the commission finds to be in error made by election
- officials in connection with any election, primary or referendum. Those
- remedies and procedures available to parties claiming to be aggrieved
- 1494 under the provisions of sections 9-323, 9-324, as amended by this act,
- 9-328 and 9-329a shall apply to any complaint brought by the Attorney
- 1496 General as a result of the provisions of this subdivision;
- [(10)] (11) To consult with the United States Department of Justice
- 1498 and the United States Attorney for Connecticut on any investigation
- pertaining to a violation of this section, section 9-12, subsection (a) of
- 1500 section 9-17 or section 9-19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a,
- 1501 9-23g, 9-23h, 9-23j to 9-23o, inclusive, 9-26, 9-31a, 9-32, 9-35, 9-35b,
- 1502 9-35c, 9-40a, 9-42, 9-43, 9-50a, 9-56 or 9-59 and to refer to said
- department and attorney evidence bearing upon any such violation for
- 1504 prosecution under the provisions of the National Voter Registration
- 1505 Act of 1993, P.L. 103-31, as amended from time to time;
- 1506 [(11)] (12) To inspect reports filed with the Secretary of the State and
- with town clerks pursuant to chapter 150 and refer to the Chief State's

Attorney evidence bearing upon any violation of law therein if such violation was committed knowingly and wilfully;

- [(12)] (13) To intervene in any action brought pursuant to the provisions of sections 9-323, 9-324, as amended by this act, 9-328 and 9-329a upon application to the court in which such action is brought when in the opinion of the court it is necessary to preserve evidence of possible criminal violation of the election laws;
- 1515 [(13)] (14) To adopt and publish regulations pursuant to chapter 54 1516 to carry out the provisions of section 9-7a, this section, sections 1 to 4, 1517 inclusive, 6 to 24, inclusive, and 36 of this act, and chapter 150; to issue 1518 upon request and publish advisory opinions in the Connecticut Law 1519 Journal upon the requirements of chapter 150 and sections 1 to 4, 1520 inclusive, 6 to 24, inclusive, and 36 of this act, and to make 1521 recommendations to the General Assembly concerning suggested 1522 revisions of the election laws;

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- [(14)] (15) To the extent that the Elections Enforcement Commission is involved in the investigation of alleged or suspected criminal violations of any provision of the general statutes or sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of this act, pertaining to or relating to any such election, primary or referendum and is engaged in such investigation for the purpose of presenting evidence to the Chief State's Attorney, the Elections Enforcement Commission shall be deemed a law enforcement agency for purposes of subdivision (3) of subsection (b) of section 1-210, provided nothing in this section shall be construed to exempt the Elections Enforcement Commission in any other respect from the requirements of the Freedom of Information Act, as defined in section 1-200;
- [(15)] (16) To enter into such contractual agreements as may be necessary for the discharge of its duties, within the limits of its appropriated funds and in accordance with established procedures; and
- 1539 [(16)] (17) To provide the Secretary of the State with notice and

copies of all decisions rendered by the commission in contested cases, advisory opinions and declaratory judgments, at the time such decisions, judgments and opinions are made or issued.

- (b) In the case of a refusal to comply with an order of the commission issued pursuant to subdivision (3) of subsection (a) of this section, the superior court for the judicial district of Hartford, on application of the commission, may issue a further order to comply. Failure to obey such further order may be punished by the court as a contempt thereof.
- (c) (1) In addition to its jurisdiction over persons who are residents
 of this state, the State Elections Enforcement Commission may exercise
 personal jurisdiction over any nonresident person, or the agent of such
 person, who makes a payment of money, gives anything of value, or
 makes a contribution or expenditure to or for the benefit of any
 committee or candidate.
 - (2) Where personal jurisdiction is based solely upon this subsection, an appearance does not confer personal jurisdiction with respect to causes of action not arising from an act enumerated in this subsection.
 - (3) Any nonresident person or the agent of such person over whom the State Elections Enforcement Commission may exercise personal jurisdiction, as provided in subdivision (1), shall be deemed to have appointed the Secretary of the State as the person's or agent's attorney and to have agreed that any process in any complaint, investigation or other matter conducted pursuant to section 9-7b brought against the nonresident person, or said person's agent, may be served upon the Secretary of the State and shall have the same validity as if served upon such nonresident person or agent personally. The process shall be served by the officer to whom the same is directed upon the Secretary of the State by leaving with or at the office of the Secretary of the State, at least twelve days before any required appearance day of such process, a true and attested copy of such process, and by sending to the nonresident person or agent so served, at the person's or agent's

1572 last-known address, by registered or certified mail, postage prepaid, a

- 1573 like and attested copy with an endorsement thereon of the service
- upon the Secretary of the State. The Secretary of the State shall keep a 1574
- 1575 record of each such process and the day and hour of service.

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1577 Sec. 34. Section 9-324 of the general statutes is repealed and the 1578 following is substituted in lieu thereof:

1579 Any elector or candidate who claims that [he] such elector or 1580 candidate is aggrieved by any ruling of any election official in connection with any election for Governor, Lieutenant Governor, Secretary of the State, State Treasurer, Attorney General, State Comptroller, sheriff or judge of probate, held in [his] such elector or candidate's town, or that there has been a mistake in the count of the votes cast at such election for candidates for said offices or any of them, at any voting district in [his] such elector or candidate's town, or any candidate for such an office who claims that [he] such candidate is aggrieved by a violation of any provision of [sections] section 9-355, 9-357 to 9-361, inclusive, 9-364, 9-364a or 9-365 in the casting of absentee ballots at such election or any candidate for the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, Attorney General or State Comptroller, who claims that such candidate is aggrieved by a violation of any provision of sections 1 to 4, inclusive, 6 to 24, inclusive, and 36 of this act, may bring [his] such elector or candidate's complaint to any judge of the Superior Court, in which [he] such elector or candidate shall set out the claimed errors of such election official, the claimed errors in the count or the claimed violations of said sections. In any action brought pursuant to the provisions of this section, the complainant shall send a copy of the complaint by first-class mail, or deliver a copy of the complaint by hand, to the State Elections Enforcement Commission. If such complaint is made prior to such election, such judge shall proceed expeditiously to render judgment on the complaint and shall cause notice of the hearing to be given to the Secretary of the State and the

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State Elections Enforcement Commission. If such complaint is made subsequent to the election, it shall be brought [within] not later than fourteen days of the election and such judge shall forthwith order a hearing to be had upon such complaint, upon a day not more than five nor less than three days from the making of such order, and shall cause notice of not less than three nor more than five days to be given to any candidate or candidates whose election may be affected by the decision upon such hearing, to such election official, the Secretary of the State, the State Elections Enforcement Commission and to any other party or parties whom such judge deems proper parties thereto, of the time and place for the hearing upon such complaint. Such judge shall, on the day fixed for such hearing and without unnecessary delay, proceed to hear the parties. If sufficient reason is shown, [he] such judge may order any voting machines to be unlocked or any ballot boxes to be opened and a recount of the votes cast, including absentee ballots, to be made. Such judge shall thereupon, in case [he] such judge finds any error in the rulings of the election official, any mistake in the count of the votes or any violation of said sections, certify the result of [his] such judge's finding or decision to the Secretary of the State before the fifteenth day of the next succeeding December. Such judge may order a new election or a change in the existing election schedule. Such certificate of such judge of [his] such judge's finding or decision shall be final and conclusive upon all questions relating to errors in the rulings of such election officials, to the correctness of such count, and, for the purposes of this section only, such claimed violations, and shall operate to correct the returns of the moderators or presiding officers, so as to conform to such finding or decision, unless the same is appealed from as provided in section 9-325.

- Sec. 35. Subsections (b) and (c) of section 9-348ee of the general statutes are repealed and the following is substituted in lieu thereof:
- 1635 (b) On and after January 1, [1999] 2001, the campaign treasurer of the candidate committee for each candidate for nomination or election 1637 to the office of Governor, Lieutenant Governor, Attorney General, 1638 State Comptroller, State Treasurer or Secretary of the State who raises

or spends [two hundred fifty] one hundred thousand dollars or more during an election campaign, and on and after January 1, 2003, the campaign treasurer of the candidate committee for each candidate for nomination or election to the office of state senator or state representative, who has received contributions totaling seventy-five per cent of the applicable expenditure limit in section 9 of this act, shall file in electronic form all financial disclosure statements required by said section 9-333j by either transmitting disks, tapes or other electronic storage media containing the contents of such statements to the office of the Secretary of the State or transmitting the statements on-line to said office. Each such campaign treasurer shall use either (1) a software program created by the Secretary of the State under subdivision (1) of subsection (a) of this section, for all such statements filed on or after [January 1, 1999] said date, or (2) another software program which provides for the standard reporting format, and complies with the specifications, which are prescribed by the secretary under subdivision (2) of subsection (a) of this section, for all such statements filed on or after [July 1, 1999] said date. The office of the Secretary of the State shall accept any statement that uses any such software program. Once any such candidate committee has raised or spent [two hundred fifty thousand dollars or more] said amount during an election campaign, all previously filed statements required by said section 9-333j, which were not filed in electronic form shall be refiled in such form, using such a software program, not later than the date on which the campaign treasurer of the committee is required to file the next regular statement under said section 9-333j.

(c) On and after January 1, [1999] 2001, (1) the campaign treasurer of the candidate committee for any other candidate, as defined in section 9-333a, who is required to file the financial disclosure statements required by section 9-333j with the office of the Secretary of the State and (2) the campaign treasurer of any political committee or party committee, may file in electronic form any financial disclosure statements required by said section 9-333j. Such filings may be made by either transmitting disks, tapes or other electronic storage media

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containing the contents of such statements to the proper authority under section 9-333e or transmitting the statements on-line to such proper authority. Each such campaign treasurer shall use either (A) a software program created by the Secretary of the State under subdivision (1) of subsection (a) of this section, for all such statements filed in electronic form on or after [January 1, 1999] said date, or (B) another software program which provides for the standard reporting format, and complies with the specifications, which are prescribed by the secretary under subdivision (2) of subsection (a) of this section, for all such statements filed in electronic form on or after [July 1, 1999] said date. The proper authority under section 9-333e shall accept any statement that uses any such software program.

Sec. 36. (NEW) (a) (1) No candidate for the office of Governor or Lieutenant Governor shall solicit contributions, on behalf of a candidate committee established by a candidate for nomination or election to any public office or on behalf of any political committee or party committee, or accept contributions, (A) from any individual who (i) is an officer, director, owner, limited or general partner or holder of stock constituting five per cent or more of the total outstanding stock of any class of a business which has a contract with the state valued at two hundred fifty thousand dollars or more and (ii) has substantial policy or decision-making authority related to the administration of said contract or (B) from a political committee established by such business.

- (2) No such individual from such business and no political committee established by such business shall make a contribution to any candidate committee established by a candidate for the office of Governor or Lieutenant Governor, during the term of such contract. If any such individual or political committee makes such a contribution, the business shall be prohibited from being awarded a state contract for one year after the election for which such contribution is made.
- 1704 (b) (1) No candidate for the office of Attorney General, State 1705 Comptroller or Secretary of the State shall solicit contributions, on

1706 behalf of a candidate committee established by a candidate for 1707 nomination or election to any public office or on behalf of any political 1708 committee or party committee, or accept contributions, (A) from any 1709 individual who (i) is an officer, director, owner, limited or general 1710 partner or holder of stock constituting five per cent or more of the total outstanding stock of any class of a business which has a contract with 1712 such official's office valued at two hundred fifty thousand dollars or 1713 more and (ii) has substantial policy or decision-making authority 1714 related to the administration of said contract or (B) from a political 1715 committee established by such business.

- (2) No such individual from such business and no political committee established by such business shall make a contribution to any candidate committee established by a candidate for the office with which the business has a contract, during the term of such contract. If any such individual or political committee makes such a contribution, the business shall be prohibited from being awarded a contract from such office for one year after the election for which such contribution is made.
- (3) The provisions of this subsection shall also apply to the State Treasurer to the extent such provisions are not inconsistent with other statutory restrictions relating to the State Treasurer.
- (c) (1) No candidate for the office of state senator or state representative shall solicit contributions, on behalf of a candidate committee established by a candidate for nomination or election to any public office or on behalf of any political committee or party committee, or accept contributions, (A) from any individual who (i) is an officer, director, owner, limited or general partner or holder of stock constituting five per cent or more of the total outstanding stock of any class of a business which has a contract with the General Assembly valued at two hundred fifty thousand dollars or more and (ii) has substantial policy or decision-making authority related to the administration of said contract or (B) from a political committee established by such business.

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1739 (2) No such individual from such business and no political 1740 committee established by such business shall make a contribution to any candidate committee established by a candidate for the office of 1742 state senator or state representative, during the term of such contract. 1743 If any such individual or political committee makes such a 1744 contribution, the business shall be prohibited from being awarded a 1745 contract by the General Assembly for one year after the election for 1746 which such contribution is made.

- 1747 Sec. 37. (a) There is established a blue ribbon commission to study 1748 party nominating process in Connecticut and make 1749 recommendations concerning such process in the context of the 1750 voluntary campaign expenditure limits program and Citizens' Election 1751 Program established in sections 1 to 4, inclusive, and 6 to 24, inclusive, 1752 of this act.
- 1753 (b) The commission shall consist of the following members:
- 1754 (1) Two appointed by the speaker of the House of Representatives;
- 1755 (2) Two appointed by the president pro tempore of the Senate;
- 1756 (3) Two appointed by the minority leader of the House of 1757 Representatives; and
- 1758 (4) Two appointed by the minority leader of the Senate.
- 1759 (c) Any member of the commission may be a member of the General 1760 Assembly.
- 1761 (d) All appointments to the commission shall be made no later than 1762 May 30, 2000. Any vacancy shall be filled by the appointing authority.
- 1763 (e) The speaker of the House of Representatives and the president 1764 pro tempore of the Senate shall select the chairpersons of the 1765 commission, from among the members of the commission. Such 1766 chairpersons shall schedule the first meeting of the commission, which 1767 shall be held no later than June 30, 2000.

1768 (f) The commission shall be in the office of the Secretary of the State 1769 for administrative purposes only.

- 1770 (g) Not later than January 1, 2001, the commission shall prepare a 1771 report on its findings and recommendations. The commission shall 1772 terminate on the date that it submits such report.
- Sec. 38. Section 9-348gg, as amended by section 9 of public act 99-1 of the June special session, is repealed and the following is substituted in lieu thereof:
- On and after January 1, [2000] <u>2001</u>, the Secretary of the State shall make all computerized data from statements required by section 9-333j available to the public, not later than two business days after the statements are filed, through (1) computer terminals in the Office of the Secretary of the State and, if feasible, at remote access locations and (2) the Internet or any other generally available on-line computer network.
- Sec. 39. This act shall take effect from its passage, except that sections 1 to 34 and 36 shall take effect July 1, 2000, and sections 35 and 38 shall take effect January 1, 2001, and shall be applicable to elections held after said date, and sections 3 and 4 shall be applicable to taxable years commencing on or after January 1, 2000."